Lowering of Bank Rate

699. SHRI DRUPAD BORGOHAIN: Will the Minister of FINANCE be pleased to state:

(a) whether the Ministry of Finance is going to lower the bank rate as demanded by FICCI and CH; and

(b) if so, whether it would aggravate the already escalated inflationary situation and hit the people very hard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL): (a) Changes in the bank rate are decided by Reserve Bank of India, taking into account the prevailing monetary and economic conditions. The Reserve Bank of India have last reduced the bank rate from 9 per cent to 8 per cent with effect from March 1, 1999.

(b) Does not arise in view of (a).

Financial Assistance to Assam by NABARD

700. SHRI DRUPAD BORGOHAIN: Will the Minsiter of FINANCE be pleased to state:

(a) the financial assistance extended to Assam by NABARD in the last three years;

(b) what are the heads in which the Bank assisted, amount-wise;

(c) the amount of money spent through PMRY, IRDP and SC ST Action Plan in Assam in the last three years; and

(d) the reasons why grass root banks refuse to distribute the loans sanctioned by NABARD and other institutions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL): (a) and (b) National Bank for Agriculture and Rural Development (NABARD) Is an apex institution providing refinance facilities to banks for financing farm and non-farm activities. These facilities are available to both short-term and long-term loans extended by banks. The details of the assistance provided by NABARD to the state of Assam

during the last three years, as reported by NABARD, are given below:

(Rs. in lakhs)

Long-term credit

Year	Amount
1996-97	6553
1997-98	8133
1998-99	10343

Short-term credit

Year (July—June)	Limit Sanctioned Maximum	Outstanding
1996-97	212	199
1997-98	84 73	84
1998-99		88

Further, NABARD has also provided assistance to Government of Assam under Rural Infrastructure Development Fund (RIDF) during 1995-96 to 1999-2000 as below:

(Rs in Crore)

Year	Sanctions	Disbursements
1995-96	11.45*	__
1996-97	73.29	_
1997-98	16.07	__
1998-99	64.72	36.81
1999-2000 (upto Oct. 99)	89.17	19.52
TOTAL	244.70	56.33

'Sanctions were withdrawn at the request of the State Government.

(c) NABARD provides refinance to banks under Integrated Rural Development Project (IRDP). Prime Minister's Rozgar Yojana (PMRY) and other Government sponsored activities. A special line of credit is available in respect of SOST Action Plan and the details of disbursement in respect of these activities for the last 3 years is given below:

(Rs. Lakhs)

Year	IRDP & other Govt. Sponsored Scheme	SOST Action Plan
1996-97	3611	84
1997-98	6394	157
1998-99	8522	109

(d) The above figures in (a), (b) & (c) indicates NABARD's refinance to banks which banks claim as reimbursement after they have sanctioned and disbursed the loans to beneficiaries. Therefore, the questions of grass root banks refusing to distribute the loans sanctioned by NABARD does not arise.

Storage of Papers Concerning Income Tax Returns

701. SHRI P. PRABHAKAR REDDY: Will the Minsiter of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news item appearing in the Times of India dated the 14th September, 1999 under the caption "Records rot in toilet of Income Tax Office";

(b) if so, what is Government's reaction thereto; and

(c) what steps are proposed to be taken for the proper storage of highly sensitive papers concerning Income Tax returns of thousands of Income Tax payers and other secret documents?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR): (a) Yes Sir.

(b) Though space is not plentiful, certainly toilets are not the place to store records.